

REMARKS

Overview

This amendment accompanies a request for continued examination. Claims 46-54 and 62-68 are pending in the present application. All claims are rejected. Claims 66-68 are new. The Final Office Action mailed November 19, 2008 has been carefully reviewed. The present response is an earnest effort to place all claims in proper form for immediate allowance. Reconsideration and passage to issuance is therefore respectfully requested.

Claim Rejections Under 35 U.S.C. § 101

Claims 62-65 are rejected under 35 U.S.C. § 101 because they are alleged to be directed towards non-statutory subject matter. It is respectfully submitted that these rejections must be withdrawn in view of the recent decision, *In re Bilski*. The Federal Circuit held that the proper test for patent eligible subject matter is the machine-or-transformation test. The Federal Circuit stated, "The machine-or-transformation test is a two-branched inquiry; an applicant may show that a process claim satisfies § 101 either by showing that his claim is tied to a particular machine, or by showing that his claim transforms an article." The Federal Circuit also further defined the application of this test by stating, that the machine or transformation must also "impose meaningful limits on the claim's scope" and "must not merely be insignificant extra-solution activity."

With respect to claims 62-64, these claims are dependent upon independent claim 46. No rejection to claim 46 has been made under 35 U.S.C. § 101. Therefore, it is respectfully submitted that the rejection to claims 62-64 should be withdrawn as they incorporate the patent eligible subject matter of claim 46. Moreover, claim 46 recites "at least one identification tag"

which is sufficient structure to meet the machine prong of the test. Furthermore, the at least one identification tag is read to produce audit information, which is submitted to meet the transformation prong of the test. Thus, for all these reasons, the rejections to claims 62-64 should be withdrawn.

With respect to claim 65, claim 65 recites "A method for verifying compliance with an agreement by use of a remotely controlled, self-audit, the method comprising: initiating the self-audit by requesting an electronic reading of at least one identification tag associated with an asset; receiving audit information based on the electronic reading of the at least one identification tag; and determining compliance or non-compliance with the agreement based on the audit information." Claim 65 meets the machine prong of the patent eligible subject matter test because the method is tied to a machine—namely, an identification tag. Claim 65 meets the transformation prong of the patent eligible subject matter test because the identification tag is electronically read, thereby transforming information on the identification tag to an electronic signal containing audit information. Thus, for all these reasons, the rejection to claim 65 should be withdrawn.

Claim Rejections Under 35 U.S.C. § 103

Claims 46-51, 62, 63 and 65 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Carmichael, 1992 in view of Mercer et al., U.S. Patent Publication No. 2004/008828 A1. These rejections are respectfully traversed.

35 U.S.C. § 103(a) sets forth "A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter

as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made." The Supreme Court's most recent analysis of the standard of obviousness is set forth in *KSR International Co. v. Teleflex Inc.*, 550 U.S. 398 (2007) does not somehow obviate the need for convincing evidence or strong reasoning for making an obviousness rejection.

Here, in the response to arguments, the Examiner states "It would be obvious to combine Mercer with Carmichael because Mercer's RFID tag and bar code would provide an efficient way for the finance company to track the inventory on the dealer's floor and make sure it is receiving its payments for any vehicles that have been sold. Rather than sending someone from the finance company over to the dealer each month to audit the inventory, the finance company can put tags or labels on the vehicles. This would either allow the finance company to automatically track the vehicles and always know their location or it would allow the dealers to remotely prove to the finance company that certain vehicles are still on the lot and have not yet been sold."

Such a statement by the Examiner fails to provide convincing evidence or strong reasoning for making an obviousness rejection. Such a statement is indicative of nothing more than the application of impermissible hindsight reconstruction of Applicant's invention. Moreover such a statement fails to appreciate the problem at hand as well as the solution. Placing RFID tags or bar codes on inventory does not in itself allow a finance company to automatically track the vehicles and always know their location—it is allows for the dealer to track vehicles, not the finance company. Nor does placing RFID tags or bar codes on inventory in itself allow dealers to remotely prove to the finance company what inventory is present. Why does the Examiner suppose that Carmichael teaches having a representative of the finance

company audit the dealer? It is because the finance company does not consider information provided by the dealer to be reliable. If they did, there would be no reason for an audit of any kind, they could simply trust a dealer to pay for vehicles as they are sold.

The claimed invention provides a unique solution to the problems of the finance company. The claimed invention provides a way to audit the dealer without requiring an on-site visit by a representative of the finance company, allowing the dealer to perform the work associated with an audit, yet doing so in a manner that does not compromise the validity of the audit. One skilled in the art would simply not be lead to combine a reference such as Carmichael with a reference such as Mercer et al., because the resulting combination where the efforts of the dealer are relied upon, would not result in a reliable audit.

In independent claim 46, claim 46 includes the steps of "requiring the second party to electronically read at least one identification tag associated with the audit; requiring the second party to send audit information based on the at least one identification tag to the first party; determining that the second party is complying or not complying with the agreement based on the audit information." Such steps make clear that merely placing an RFID tag or a bar code on a vehicle is not sufficient. Rather, the audit information must be sufficient to make a determination as to whether or not the second party is complying with the agreement. One skilled in the art taking the cited prior art as a whole would simply not be lead to the invention of claim 46. Therefore, the rejection to claim 46 must be withdrawn. As claims 47-51 62, and 63 depend from claim 46, these rejections should also be withdrawn.

Further, with respect to claim 46, the Examiner indicates that Carmichael teaches "determining that the second party is complying or not complying with the agreement based on the audit information." The Examiner cites to Carmichael, p. 2, paragraph 1 as teaching this step.

Not only does Carmichael not teach this step, Carmichael teaches away from this step. The Examiner fails to properly consider the inter-relationship of this language of claim 46 when analyzing this claim language. Claim 46 also recites "requiring the second party to send audit information based on the at least one identification tag to the first party." Thus, from the plain language of the claim, the determination that the second party is complying or not complying with the agreement based on the audit information is performed with information obtained from the second party and without information collected by the first party on the floor. Carmichael's audit information is generated by having the first party visit the floor. Thus, Carmichael does not teach "determining that the second party is complying or not complying with the agreement based on the audit information" because Carmichael uses a very different type of audit information, collected by the first party on the floor. Therefore, the rejection to claim 46 should be withdrawn for this independent reason as well. As claims 47-51 62, and 63 depend from claim 46, these rejections should also be withdrawn.

With respect to independent claim 65, claim 65 recites "A method for verifying compliance with an agreement by use of a remotely controlled, self-audit, the method comprising: initiating the self-audit by requesting an electronic reading of at least one identification tag associated with an asset; receiving audit information based on the electronic reading of the at least one identification tag; and determining compliance or non-compliance with the agreement based on the audit information." It is respectfully submitted that claim 65 is nonobvious over the cited prior art references at least for the reasons expressed with respect to claim 46.

New claims

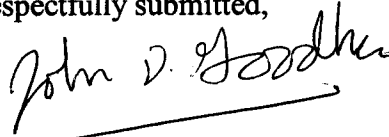
Claims 66-68 are new. Claim 66 is similar to claim 65 however, claim 66 specifies that the audit information includes data based on the electronic reading of the at least one identification tag in combination with data associated with the self-audit or data associated with the asset. Claim 67 specifies that the data associated with the self-audit includes an audit code. Support for claim 67 is clear at least from paragraphs [0118-0119]. Claim 68 specifies that the data associated with the self-audit includes a geographic position associated with the asset. Support for claim 68 is apparent at least from paragraph [0111]. It is respectfully submitted that these claims are also patentable over the cited prior art.

Conclusion

This amendment accompanies the filing of a Request for Continued Examination (RCE). Please charge Deposit Account No. 26-0084 the amount of \$405.00 for the RCE per the attached transmittal. No other fees or extensions of time are believed to be due in connection with this amendment; however, consider this a request for any extension inadvertently omitted, and charge any additional fees to Deposit Account No. 26-0084.

Reconsideration and allowance is respectfully requested.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "John D. Goodhue", written over a horizontal line.

~~JOHN D. GOODHUE~~, Reg. No. 47,603
McKEE, VOORHEES & SEASE, P.L.C.
801 Grand Avenue, Suite 3200
Des Moines, Iowa 50309-2721
Phone No: (515) 288-3667
Fax No: (515) 288-1338
CUSTOMER NO: 22885

Attorneys of Record

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